

# Congress of the United States

Washington, DC 20515

March 10, 2011

The Honorable Barack Obama  
President of the United States  
1600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20500

Dear Mr. President:

The burden of existing federal regulation and uncertainty over what new regulation is yet to come are leading reasons why America's job creators still struggle to provide new jobs for Americans who are unemployed and underemployed. The Small Business Administration's Office of Advocacy recently reported that federal regulations cost our economy \$1.75 trillion per year. That figure equals fourteen percent of national income.<sup>1</sup> To add to the burden, hundreds, if not thousands, more regulations are due to come under statutes passed during the 111<sup>th</sup> and 110<sup>th</sup> Congresses. Your Administration's December 2010 *Unified Agenda of Regulatory and Deregulatory Activities* alone lists 4,225 regulatory actions under development by federal regulatory agencies. Employers can only speculate about the final costs of these additional regulations.

As representatives of the people, we should do all we can to clear unnecessary and unduly burdensome regulation from the path of job creation. We were therefore disappointed to see no mention of meaningful, lasting regulatory reform in your recent *Economic Report of the President* (Feb. 2011). The Report discusses at length your Administration's views on the foundations for economic growth and how to support small business. Yet nowhere does the Report point to the clouds that excessive regulation and regulatory uncertainty cast over our economy and employers and recommend how to disperse them.

In the Report, you refer to your recent executive order on regulation, Executive Order No. 13563, as a "a commonsense approach to regulation that is pragmatic, based on evidence, and driven by data that will help lay the groundwork for economic growth and job creation while continuing to protect our health, safety, and environment." But until Washington addresses head on the massive burden of existing regulation and uncertainty over future regulation, a stable groundwork for economic growth and job creation cannot be laid.

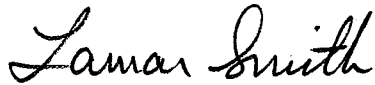
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<sup>1</sup> Nicole V. Crain and W. Mark Crain, *The Impact of Regulatory Costs on Small Firms*, Report No. SBAHQ-08-M-0466 (Sept. 2010) at 6, 48.

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We ask you to work with us to enact durable regulatory reform legislation that can cure this problem. This legislation could include, for example, H.R. 10, the "Regulations From the Executive in Need of Scrutiny Act," and H.R. 527, the "Regulatory Flexibility Improvements Act of 2011." It also could include reform of the Administrative Procedure Act, the Unfunded Mandates Reform Act and other statutes that are central to federal regulation. We await your response, as do America's job creators and all those who look for the new jobs that will turn our economy around.

Sincerely,



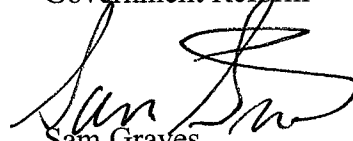
Lamar Smith  
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Committee on the Judiciary



Darrell Issa  
Chairman  
Committee on Oversight and  
Government Reform



Fred Upton  
Chairman  
Committee on Energy and Commerce



Sam Graves  
Chairman  
Small Business Committee

cc: Hon. John Conyers, Jr.  
Hon. Elijah Cummings  
Hon. Henry A. Waxman  
Hon. Nydia Velázquez